



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Donna Singleton, Treasurer  
National Republican Congressional  
Committee Expenditures  
320 First Street  
Washington, DC 20003

AUG 23 1995

Identification Number: C00075820

Reference: March Monthly Report (2/1/95-2/28/95)

Dear Mr. Singleton:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Line 22 of the Detailed Summary Page of your report discloses no transfers to a affiliated/other party committees. The sum of the entries itemized on Schedule B, however, indicates the total to be \$1,150,000. Please amend your report to clarify the discrepancy.

-Please provide a Schedule B to support the entry reported on Line 26 of the Detailed Summary Page. All loans repaid by your committee must be itemized on Schedule B regardless of the amount. 2 U.S.C. §434(b)(6)(B)(ii)

-Schedule H4 discloses several disbursements for fundraising events with unique indentifying codes of 313-320, 313-321 and 313-325 which appear to be using ratios inconsistent with those disclosed on Schedule H2. Please clarify this discrepancy.

-Your report discloses a transfer(s) to the National Republican Congressional Committee Non-Federal Account. 11 CFR §§106.5 and 106.6 prohibits a committee's federal account from reimbursing its non-federal account for shared allocable expenses. Also, the non-federal account is prohibited from paying the federal account's share of these expenses. These types of costs must be paid according to the allocation ratio derived from the appropriate method on Schedule H1.

if the transfer(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If your non-federal account has paid any expenditures which should have been allocated, you are advised to correct any non-compliance with 11 CFR §106.5 and 106.6 and establish procedures to insure future compliance with allocation regulations.

Although the Commission may take further legal action regarding this improper allocation activity, your prompt action will be taken into consideration.

-Schedule H3 discloses receipt of \$58,448.75 from your non-federal account for an exempt expenditure event(s) which is listed as 100% non-federal on Schedule H4. A committee is permitted to pay the entire amount of an allocable activity from its federal account and receive a transfer(s) from its non-federal account solely to cover the non-federal share of the allocable expense(s). 11 CFR §106.5(g)(i). However, a 100% non-federal exempt expenditure event does not fall within the definitions of an allocable expense, and constitutes an impermissible transfer of funds received by your federal account from your non-federal account.

The Commission recommends you immediately transfer the total amount received by your federal account back to your non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-The amount of debts and obligations owed by your committee as reported on the Summary Page conflicts with the amount reported on the loan and/or debt schedule(s) (Schedule C and/or D). Please amend your report to clarify this discrepancy.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



Donald L. Averett  
Senior Reports Analyst  
Reports Analysis Division

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